Calendar Year End
Training Guide

Infinite Visions® Enterprise Edition

Windsor Management Group
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The principles and suggestions in this training guide and class in general, apply to diverse personal and district situations. Therefore, application should not be made without legal counsel or consideration of specific circumstances and existing district policies and procedures.

This document applies to Release 1.4 of Windsor Management Group's Infinite Visions Enterprise Edition software. The data used to illustrate the reports and screens may include names of individuals, companies, brands, and products. All of these names are fictitious; any similarities to actual names are entirely coincidental. Further, any illustrations of report formats or screen images are examples only, and reflect how a typical customer would install and use the product.

InfiniteVisions

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Overview

This document describes how to use Infinite Visions® Fund Accounting software to prepare 1099 and W-2 forms. For specific instructions about what you need to do to file 1099s and W-2s for your entity, see the applicable IRS or SSA documentation. You can review and print this information from the following web sites:

For W-2s: www.ssa.gov/employer/

For 1099s: www.irs.gov

Infinite Visions W-2 and 1099 forms are formatted for printing on laser printers. Users may encounter problems with margin tolerances if using other types of printers.

Calendar Year End Procedures

In addition to running 1099s and W-2s, you need to update tax withholding tables and limits for 2005.

Updating Tax Tables

Before running your first payroll for 2005, update your Tax Withholding Tables using the 2005 Circular E. Update all of the pay cycle/tax tables based on the information from the new Circular E, which will be distributed from the IRS at year-end.

If applicable, also update state tax tables for 2005 calculations.

After you update the tax tables, verify and update the following information in your deduction definitions (Deductions/Benefits Maintenance).

- Yearly unemployment limit
- Social Security tax limit
- Social Security and Medicare percentages
- Advance EIC payments limit
- Advance EIC wages limit
- FWT deduction limit (if applicable)
- Federal Exemption amount
- State Exemption amounts
- State Credit amount (if applicable)
- State retirement updates (if applicable for your state)

Preparing 1099s

The Accounts Payable module produces 1099 forms (1099 MISC and 1099 INT) for those vendors marked as 1099 vendors in Vendor Maintenance.

Discussed in this chapter are the following topics:

- 1099 checklist
- Preparing for 1099s
- Updating year-to-date figures
- Printing a preliminary 1099 totals report
- Reviewing 1099 records
- Printing 1099 forms
- Filing 1099s with the IRS

1099 Processing Checklist

Step	Description	Page
☐ 1.	**Verify payer information and tax IDs**	6
	Use the General Ledger Default Settings screens to verify payer address and your entity's Federal tax ID. Review the Accounts Payable Default Settings to verify the 1099 reporting thresholds.	
☐ 2.	**Review vendor information**	8
	Review the information in the Vendor Maintenance screen for your 1099 vendors to be sure all needed information is present.	
☐ 3.	**Print the Validation Report**	9
	As part of reviewing your 1099s, use the Validation Report option on the Actions menu to check the vendor name and address lengths. Once you print the report, you can make any necessary revisions to the vendor record.	
☐ 4.	**Review 1099 invoice status (optional)**	11
	Use the Invoice Processing screen to review the status of 1099 invoices. You can also change the 1099 box and form designation for any invoice if necessary. If applicable, you can use an Actions menu option in Vendor Maintenance to change the invoice settings of all of a vendor's invoices in the connection group and fiscal year you are logged into. In addition, review the check status of your 1099 vendor checks. A check's status must be Printed before it will be included in the 1099 generation process.	
☐ 5.	**Update year-to-date figures**	13
	Depending on whether you have been using the Enterprise Edition Accounting software for the whole calendar year or just for a partial calendar year, prepare year-to-date payment information for 1099 vendors.	
☐ 6.	**Generate 1099 records**	14
	Generate the 1099 records and review them, making adjustments as necessary for each record.	
☐ 7.	**Review records and make adjustments**	
	You can edit records, add new records, and make adjustments as needed. Keep in mind that any manual adjustments you make to the generated 1099 records are lost if you regenerate 1099s. To make revisions permanently, first change the vendor record and then regenerate 1099s.	
☐ 8.	**Remove Vendors below the Limit**	19
	Once you have reviewed your generated 1099 information, you can remove the 1099 records for any vendors who fall below the	

Step	Description	Page
	limits established in the Accounts Payable Default Settings.	
☐ 9.	**Print 1099 forms for recipients**	20
	Print the 1099 forms to send to the vendors.	
☐ 10.	**Prepare the 1099 filing**	23
	Prepare the filing of 1099 information for the IRS.	
☐ 11.	**Zero Out Prior CYTD Balances (optional)**	
	If applicable, you can use the Zero Out Prior CYTD Balances option on the 1099 Processing Actions menu to remove any prior calendar year to date balances in the vendor records.	

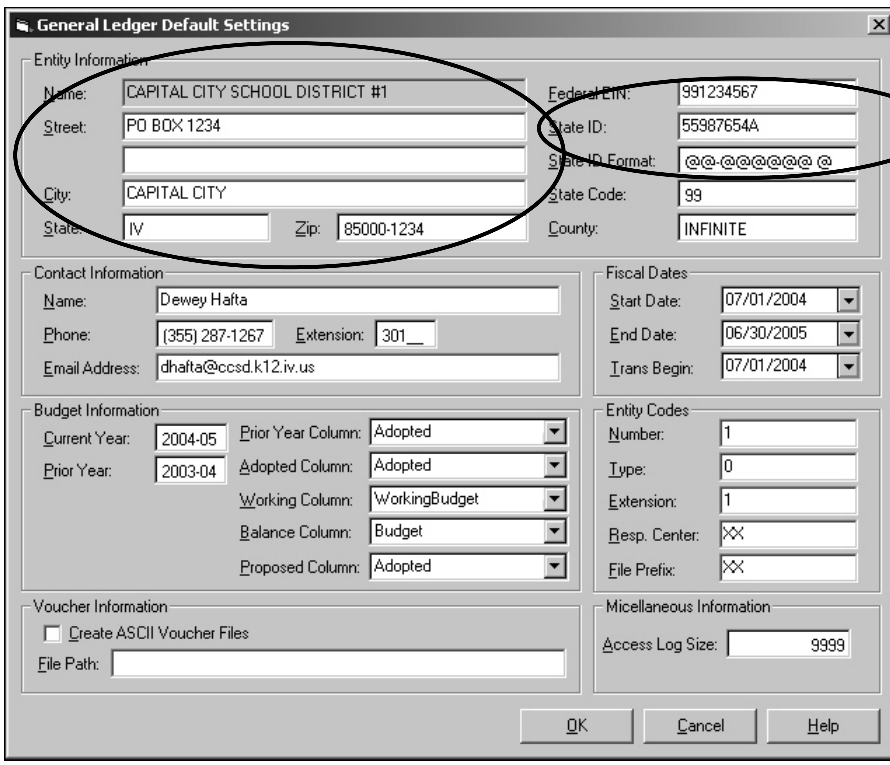
Preparing for 1099s

Before you generate 1099s, you need to verify the following:

- Your payer information is correct
- Your Federal and State tax ID numbers are present and correct
- Your 1099 reporting thresholds
- Vendor records for 1099 vendors are correct
- Review invoice status

Verifying Payer Information

Verify that your entity's name and address are correct in the General Ledger Default Settings screen. This is the name and address information that will appear on every 1099.

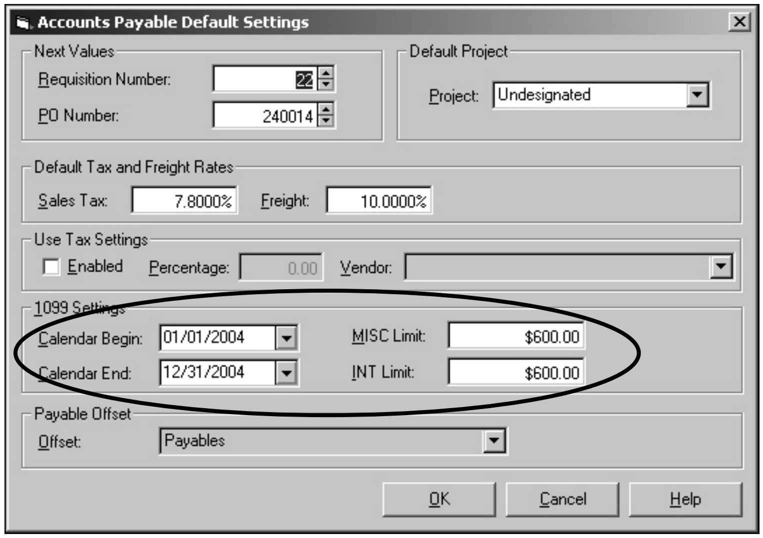


Review the following fields to be sure they are correct:

- Entity Information
- Federal EIN
- State ID

Verifying Thresholds

Verify the calendar year dates and the reporting thresholds specified in the AP Default Settings screen.



1099 Settings Fields:

Calendar Begin

Use this field to specify the beginning date of the calendar year you want to use for calculating 1099s. This is a required field.

Calendar End

Use this field to specify the ending date of the calendar year you want to use for calculating 1099s. This is a required field.

MISC Limit

Use this field to specify the threshold over which the system should generate a 1099 MISC form. The default is $600.

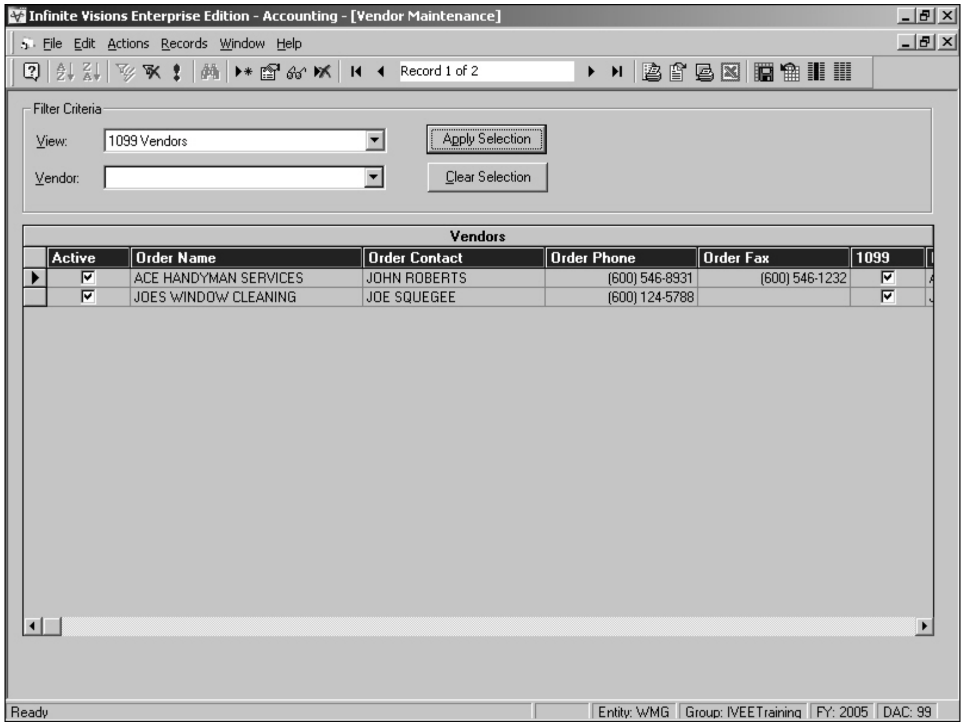
INT Limit

Use this field to specify the threshold over which the system should generate a 1099 INT. The default is $600.

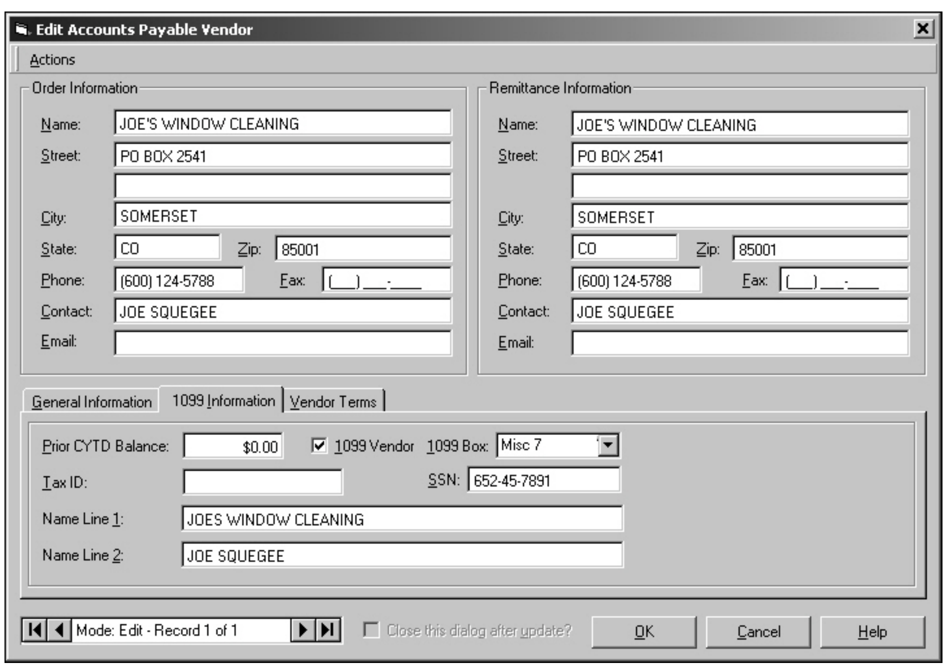
Even if you don't have a need for the INT limit, you need to leave a dollar amount in the field. The INT Limit amount should not be zero.

Verifying Vendor Information

Before you start to generate 1099s, be sure that all of your 1099 vendors are marked as such in the vendor record. You can filter the vendor maintenance grid to just 1099 vendors by selecting **1099 Vendors** in the **View** drop-down list and clicking **Apply Selection**.



Check the vendor records for your 1099 vendors to be sure all of the needed information is present.



1099 Information Fields:

Prior CYTD Balance	If you are implementing Accounts Payable in the middle of a calendar year, type the amount you have paid this vendor to date in this field. This information is important for completion of 1099 information at the end of the calendar year.
1099 Vendor	Select this option if the vendor is a 1099 vendor.
1099 Box	Use the drop-down list to select the 1099 box applicable to this vendor. The selection you make becomes the default for any invoices created for this vendor. If you leave this field blank for a 1099 vendor, the system defaults to Misc 7 for this field in Invoice Processing.
Tax ID	If the vendor has a Federal tax ID, type the ID in this field.
SSN	If the vendor does not have a Federal tax ID, type the vendor's Social Security Number in this field.
Name Line 1 **Name Line 2**	If you selected the 1099 Vendor option, the system defaults the contents of the Name field in Remittance Information in the Name Line 1 field. You can change it if necessary. Use these fields for the vendor name as it should appear on the 1099 form.

Printing a Validation Report

Use the Validation Report to double-check your vendor records to ensure that the needed information is present and will fit in the 1099 form fields. This report will check for the following:

- Social Security number or Tax ID (error message if not present)
- Recipient's Name (1) greater than 40 characters
- Recipient's Name (2) greater than 40 characters
- Remit Street Address Line 1 and 2 combined greater than 44 characters
- Remit City greater than 30 characters
- Remit State greater than 2 characters
- Remit Zip code greater than 40 characters

It is useful to run this report before actually generating your 1099 records, since it enables you to correct any error situations before trying to generate 1099s. You can use the shortcut on the Actions menu to quickly access Vendor Maintenance.

To print a 1099 validation report:

1. In the Accounts Payable menu, expand **Payments** to display the menu items.
2. Double-click **1099 Processing**. The system displays the 1099 Processing grid.
3. From the Actions menu, select the **Validation Report** option. The system checks the vendor information and displays the results in the Report Viewer.

   If there are no address problems, the system displays a message to that effect.

Reviewing 1099 Invoices

To quickly review the status of all 1099 invoices, use the Filter by Selection option on the 1099 column in the Invoice Processing grid to limit the grid to just 1099 invoices.

If you need to change the 1099 status of an invoice, you have two possible approaches:

- Change the 1099 status of an individual invoice
- Change the 1099 status of all of a vendor's invoices

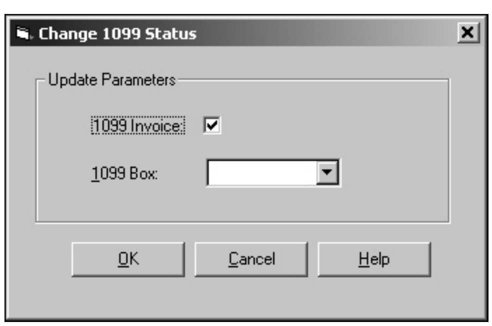
Changing an Individual Invoice's 1099 Status

If needed, you can change the current 1099 status of an invoice, regardless of the invoice's status. However, if you wish to change the 1099 field from a 'no' to a 'yes,' you must first identify the vendor as a 1099 vendor in Vendor Maintenance.

To change 1099 status:

1. In the Accounts Payable menu, double-click the **Payments** option to display the menu items.
2. In the Payments menu, double-click **Invoice Processing**.
3. In the Invoice Processing screen, use the **Selection Criteria** fields to filter for the invoices you want to work with and click **Apply Selection**.
4. Click in the row to select the invoice whose 1099 information you want to change.
5. From the Actions menu, select the **Change 1099 Status** option. The system displays the Change 1099 Status screen.

   This screen does not display the current status of the invoice. Use the screen to indicate what you want the 1099 status of the invoice to be.



6. To change the invoice to a 1099 invoice, click to select the **1099 Invoice** field, and use the drop-down list in the **1099 Box** field to select the box number.

To exclude an invoice that is currently a 1099 invoice from 1099 calculation, make sure there is no check mark in the **1099 Invoice** field.

To change the 1099 box number, click to select the **1099 Invoice** field and then use the drop-down list in the **1099 Box** field to select the box number you want.

7. Click **OK**.

Changing All Invoices for a Vendor in the Fiscal Year

If needed, you can quickly change the 1099 settings of all of a vendor's invoices for the fiscal year you are logged into.

To change the 1099 settings:

1. In the Accounts Payable menu, expand **Vendors** to display the menu items.
2. Double-click **Vendor Maintenance**. The system displays the Vendor Maintenance grid.
3. Locate the vendor whose invoices you want to change, and select the Edit command. The system displays the Edit Accounts Payable Vendor screen.
4. In the **1099 Information** tab, make sure that you fill out the appropriate fields as you want the vendor's invoices to be.
5. Click **OK** when you are finished to return to the grid.
6. In the Vendor Maintenance grid, highlight the vendor(s) whose invoices you want to change the 1099 settings for.
7. From the Actions menu, select the **Update Invoice(s) 1099 Settings** option. The system displays a message informing you that it will update all of the invoices for the selected vendor.
8. Click **Yes** to continue. The system updates the invoices for the fiscal year you are logged into and displays a message when complete.

   If you also need to update the vendor's 1099 settings on invoices for the other half of the calendar year, log into the appropriate fiscal year and perform the same procedure.

Reviewing Vendor Checks

In addition, review the check status of your 1099 vendor checks. A check's status must be **Printed** before it will be included in the 1099 generation process.

Updating Year-to-date Figures

Depending on whether you have been using the Enterprise Edition Accounting software for the whole calendar year or just for a partial calendar year, prepare year-to-date payment information for 1099 vendors.

If you began using the Enterprise Edition Accounting software after January 1, you need to issue two 1099s (one from your old system) or input any prior vendor payment history into the current year's vendor record.

To update vendor records, either:

1. Edit each vendor's 1099 Information and enter the amount of any payments made before you starting using Accounts Payable in the **Prior CYTD Balance** field. This information will display in Misc. Box 7. Or,
2. Add the amount directly into the 1099 forms (see page 16 for information).

To include manual check information:

The system automatically creates an invoice for each manual check. The invoice is automatically posted to the General Ledger, with the check information tied to it. Detail includes check line amount and the 1099 status and box number from the vendor record.

Generating 1099 Records

Once you are sure that your vendor information is up to date and you have reviewed the 1099 invoices to be sure they are correct, you can generate the 1099 information.

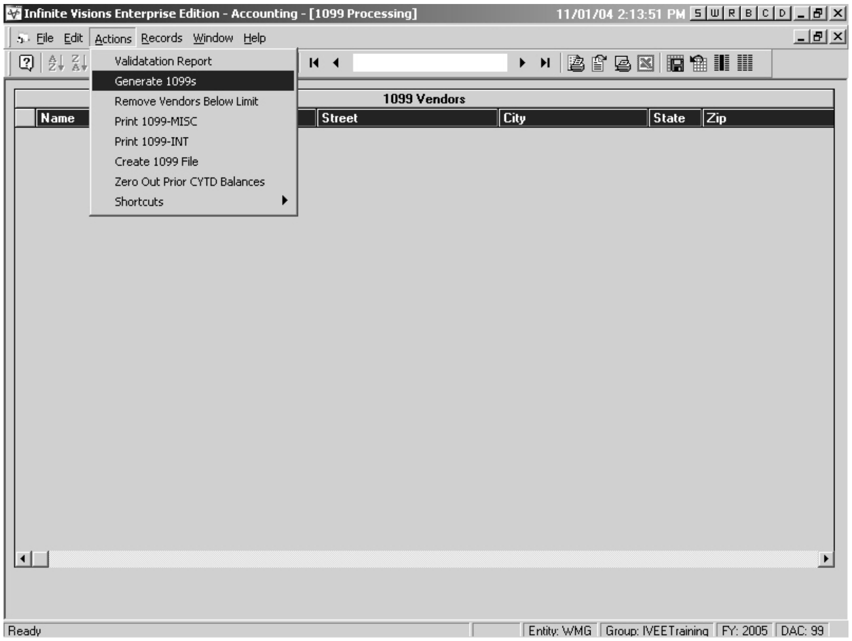
Generating 1099 records will create a record for every 1099 vendor, regardless of the MISC and INT limit thresholds you have set in Accounts Payable Default Settings. Each generated record includes invoices paid to and manual checks written to 1099 vendors within the calendar year (specified in Accounts Payable Default Settings), and opening balances entered manually on the Vendor Maintenance screen. The system compares the check date to the calendar year dates you entered to determine if a 1099 will be generated. The system also verifies the check status.

A check's status must be Printed before it will be included in the generation of 1099s.

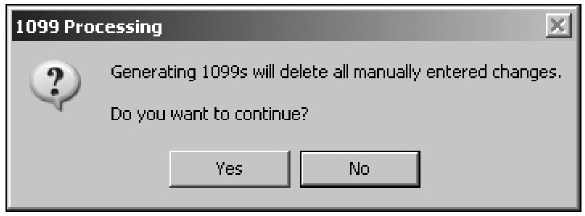
After you have reviewed the generated 1099 records, you can use the **Remove Vendors Below Limit** option to remove any 1099 records that fall below the MISC and INT limit thresholds you have specified.

To generate 1099s:

1. In the Accounts Payable menu, double-click **Payments** to display the menu items.
2. Double-click **1099 Processing**. The system displays the 1099 Processing grid.



3. From the Actions menu, select **Generate 1099s**. The system displays the following message



4. Click **Yes** to proceed. The system generates the 1099 information from the vendor and invoice records and displays them in the 1099 Processing grid.

Reviewing and Editing 1099 Records

As you review your generated 1099 records, you may need to make changes. When the system generates the 1099 information, all values go to the form and box that you selected for the individual invoices. You can edit or move payments to the appropriate box or to the interest form here, if you wish.

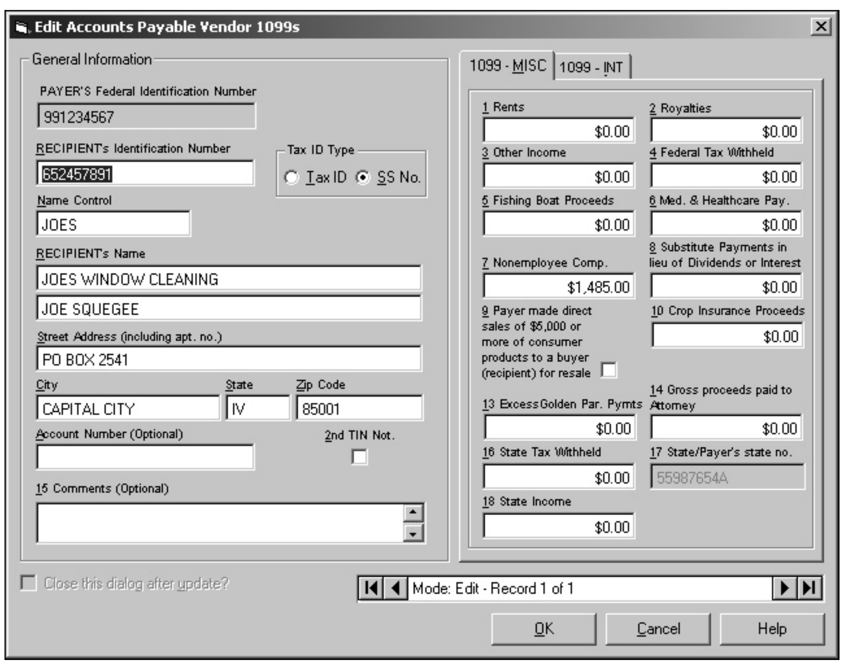
You can enter adjustments or changes if you wish. However, keep in mind that if you have to later regenerate the 1099 information, any adjustments you make will be lost.

Reviewing the 1099

Use this screen to add, edit, or view a vendor's 1099 information. The system automatically generates this record from your vendor information when you Generate 1099s. However, you can also add a 1099 record if needed.

In addition to the basic vendor information, this screen enables you to maintain information for two different 1099 forms:

- 1099-MISC
- 1099-INT



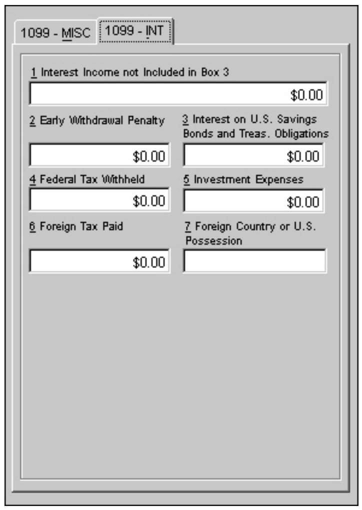
RECIPIENT's Identification Number	Displays the vendor's tax ID as entered in the Vendor record.
Tax ID Type	Indicates whether the identification number is a Tax ID or a Social Security Number.
Name Control	By default this field displays the first four characters of the **Remittance Information Name** field from the Vendor record. If appropriate, you can change this information based on the IRS regulations. Imbedded blanks, extraneous words, title, and special characters (for example, periods, or apostrophes) should be removed from this field. For additional information about requirements for this field, see IRS's Publication 1220, Specs for filing 1099 Electronically, etc. http://www.irs.gov/formspubs/lists/0,,id=97819,00.html
Recipient's Name	Displays the vendor's 1099 name.
Street Address	Displays the vendor's street address. If two lines are entered, the system displays both.
City	Displays the City portion of the vendor's address.
State	Displays the State portion of the vendor's address.
Zip Code	Displays the Zip Code portion of the vendor's address.
Account Number (Optional)	If applicable, you can enter your account number with this vendor. This is an optional field.
2nd TIN Not.	Check this box if you were notified by the IRS twice within 3 calendar years that the payee provided an incorrect TIN. If you mark this box, the IRS will not send any further notices about this account.
15 Comments (Optional)	Use this box to add an optional comment, if appropriate. You can type up to 120 characters for the comment. The system will automatically wrap text so you don't have to press Enter for a carriage return. The system will print the first three lines of the comment on the form.

1099 - MISC Fields:

Use these fields to indicate the source of the income being reported on the 1099. This information will transfer directly from the vendor invoice record and be placed in the appropriate box. If necessary you can edit the information.

1099 – INT Fields:

The system fills in the appropriate box based on the information in the vendor invoice record. You can change the amounts if necessary.



Removing Vendors Below the Limit

Generating 1099s will create a record for every 1099 vendor and display it in the 1099 Processing grid. Once created, you can review the records to see if you have incomplete vendor information or have duplicate records for a vendor. If you have missing information or duplicates, you can fix the vendor file and regenerate the 1099s, or you can manually delete or edit the generated records.

Once you are satisfied with the data, you can use **Remove Vendors Below Limit** to delete records that do not meet your reporting thresholds.

Reporting limits are set up in the Accounts Payable Default Settings screen.

To remove vendors below the limit:

1. In the Accounts Payable menu, double-click **Payments** to display the menu items.
2. Double-click **1099 Processing**. The system displays the 1099 Processing grid.
3. From the Actions menu, select **Remove Vendors Below Limit**. The system removes any records below the reporting threshold from the grid.

Printing 1099s

When you are ready to print the paper copies of your 1099-MISC and/or 1099-INT, have the appropriate stock ready for loading into the printer.

To print 1099s:

1. In the Accounts Payable menu, double-click **Payments** to display the menu items.
2. Double-click **1099 Processing**. The system displays the 1099 Processing grid.
3. From the Actions menu, select the **Print 1099-MISC** or **Print 1099-INT** option, depending on which form you are printing. The system displays the forms in the Report Viewer.
4. Load the appropriate forms into the printer and print the copies you need.

Sample 1099 – MISC

☐ VOID ☐ CORRECTED

PAYER'S name, street address, city, state, ZIP code, and telephone no.

CAPITAL CITY SCHOOL DISTRICT #1
PO BOX 1234

CAPITAL CITY, IV 85000-1234

1 Rents
$

2 Royalties
$

3 Other income
$

OMB No. 1545-0115

2004

Form **1099-MISC**

Miscellaneous Income

4 Federal income tax withheld
$

Copy B
For Recipient

This is important tax information and is being furnished to the Internal Revenue Service. If you are required to file a return, a negligence penalty or other sanction may be imposed on you if this income is taxable and the IRS determines that it has not been reported.

PAYER'S Federal identification number
991234567

RECIPIENT'S identification number
652-45-7891

5 Fishing boat proceeds
$

6 Medical and health care payments
$

RECIPIENT'S name
JOES WINDOW CLEANING
JOE SQUEGEE

7 Nonemployee compensation
$ 1485.00

8 Substitute payments in lieu of dividends or interest
$

Street address (including apt. no.)
PO BOX 2541

9 Payer made direct sales of $5,000 or more of consumer products to a buyer (recipient) for resale ☐

10 Crop insurance proceeds
$

City, state, and ZIP code
CAPITAL CITY, IV 85001

11

12

Account number (optional)

2nd TIN not. ☐

13 Excess golden parachute payments
$

14 Gross proceeds paid to an attorney
$

15

16 State tax withheld
$
$

17 State/Payer's state number
55987654A

18 State income
$
$

Form **1099-MISC** (Keep for your records.) Department of the Treasury - Internal Revenue Service

☐ VOID ☐ CORRECTED

PAYER'S name, street address, city, state, ZIP code, and telephone no.

CAPITAL CITY SCHOOL DISTRICT #1
PO BOX 1234

CAPITAL CITY, IV 85000-1234

1 Rents
$

2 Royalties
$

3 Other income
$

OMB No. 1545-0115

2004

Form **1099-MISC**

Miscellaneous Income

4 Federal income tax withheld
$

Copy 2

To be filed with recipient's state income tax return, when required.

PAYER'S Federal identification number
991234567

RECIPIENT'S identification number
652-45-7891

5 Fishing boat proceeds
$

6 Medical and health care payments
$

RECIPIENT'S name
JOES WINDOW CLEANING
JOE SQUEGEE

7 Nonemployee compensation
$ 1485.00

8 Substitute payments in lieu of dividends or interest
$

Street address (including apt. no.)
PO BOX 2541

9 Payer made direct sales of $5,000 or more of consumer products to a buyer (recipient) for resale ☐

10 Crop insurance proceeds
$

City, state, and ZIP code
CAPITAL CITY, IV 85001

11

12

Account number (optional)

2nd TIN not. ☐

13 Excess golden parachute payments
$

14 Gross proceeds paid to an attorney
$

15

16 State tax withheld
$
$

17 State/Payer's state number
55987654A

18 State income
$
$

1099-MISC (Keep for your records.) Department of the Treasury - Internal Revenue Service

Sample 1099 – INT

☐ CORRECTED (if checked)

PAYER'S name, street address, city, state, ZIP code, and telephone no. CAPITAL CITY SCHOOL DISTRICT #1 PO BOX 1234 CAPITAL CITY, IV 85000-1234	Payer's RTN (optional)	OMB No. 1545-0112 **2004** Form **1099-INT**	**Interest Income**
PAYER'S Federal identification number 991234567 / RECIPIENT'S identification number 654-12-8540	1 Interest income not included in box 3 665.00		**Copy B** **For Recipient** This is important tax information and is being furnished to the Internal Revenue Service. If you are required to file a return, a negligence penalty or other sanction may be imposed on you if this income is taxable and the IRS determines that it has not been reported.
RECIPIENT'S name, street address (including apt no.), city,state, and Zip JOHN ROBERTS ACE HANDYMAN SERVICES PO BOX 5632 CAPITAL CITY, IV 85001-1400	2 Early withdrawal penalty	3 Interest on U.S. Savings Bonds and Treas. obligations	
	4 Federal income tax withheld	5 Investment expenses	
	6 Foreign tax paid	7 Foreign country or U.S. possession	
Account number (optional)			

Form **1099-INT** (Keep for your records.) Department of the Treasury - Internal Revenue Service

☐ CORRECTED (if checked)

PAYER'S name, street address, city, state, ZIP code, and telephone no. CAPITAL CITY SCHOOL DISTRICT #1 PO BOX 1234 CAPITAL CITY, IV 85000-1234	Payer's RTN (optional)	OMB No. 1545-0112 **2004** Form **1099-INT**	**Interest Income**
PAYER'S Federal identification 991234567 / RECIPIENT'S identification number 654-12-8540	1 Interest income not included in box 3 665.00		**Copy B** **For Recipient** This is important tax information and is being furnished to the Internal Revenue Service. If you are required to file a return, a negligence penalty or other sanction may be imposed on you if this income is taxable and the IRS determines that it has not been reported.
RECIPIENT'S name, street address (including apt no.), city,state, and Zip code JOHN ROBERTS ACE HANDYMAN SERVICES PO BOX 5632 CAPITAL CITY, IV 85001-1400	2 Early withdrawal penalty	3 Interest on U.S. Savings Bonds and Treas. obligations	
	4 Federal income tax withheld	5 Investment expenses	
	6 Foreign tax paid	7 Foreign country or U.S. possession	
Account number (optional)			

Form **1099-INT** (Keep for your records.) Department of the Treasury - Internal Revenue Service

Instructions for Recipient

Box 1. Shows interest paid to you during the calendar year by the payer. This does not include interest shown in box 3.

Box 2. Shows interest or principal forfeited because of early withdrawal of time savings. You may deduct this on the "Penalty on early withdrawal of savings" line of Form 1040.

If you receive a Form 1099-INT for interest paid on a tax-exempt obligation, see the instructions for your income tax return.

Box 3. Shows interest on U.S. Savings Bonds, Treasury bills, Treasury bonds, and Treasury notes. This may or may not be all taxable. See Pub.550, Investment Income and Expenses. This interest is exempt from state and local income taxes. This interest is not included in box 1.

Box 4. Shows backup withholding. Generally, a payer must backup withhold at a 30% rate if you did not furnish your taxpayer identification number to the payer. See Form W-9, Request for Taxpayer Identification Number and Certification, for information on backup withholding. Include this amount on your income tax return as tax withheld.

Box 5. Any amount shown is your share of investment expenses of a single-class REMIC. If you file Form 1040, you may deduct these expenses on the "Other expenses" line of Schedule A (Form 1040) subject to the 2% limit. This amount is included in box 1.

Box6. Shows foreign tax paid. You may be able to claim this tax as a deduction or a credit on your Form 1040. See your Form 1040 instructions.

Nominees. If this form includes amounts belonging to another person, you are considered a nominee recipient. You must file Form 1099-INT for each of the other owners showing the income allocable to each. File Copy A of the form with the IRS. Furnish Copy B to each owner. List yourself as the "payer" and the other owner as the "recipient." File Form(s) 1099-INT with Form 1096, Annual Summary and Transmittal of U.S.Information Returns, with the Internal Revenue Service Center for your area. On Form 1096, list yourself as the "filer." A husband or wife is not required to file a nominee return to show amounts owned by the other.

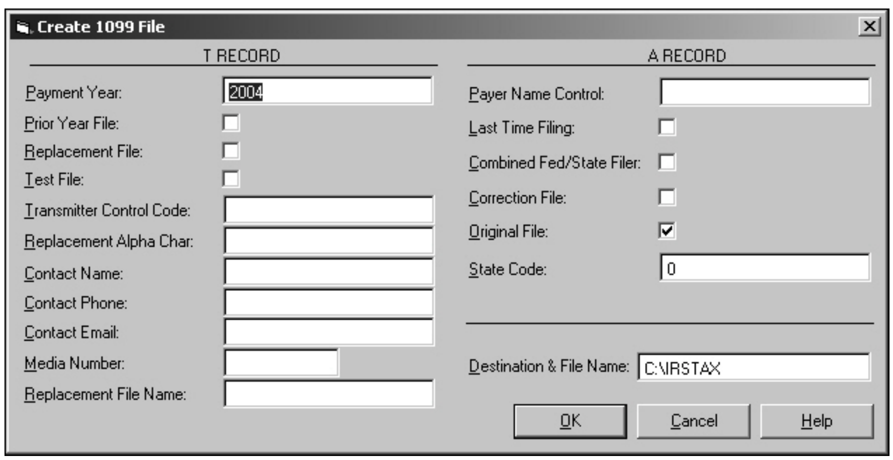
Filing 1099s

If you want to file your 1099 information electronically or on magnetic media, you must first apply to the IRS to do so. Once your application has been accepted, you can transfer the appropriate information to the Make 1099 Disk File screen.

Electronic submissions are filed using the Internal Revenue Service FIRE system accessed at 1-304-262-2400.

Creating a File for Submission

When you are ready to create a file for submission, select the **Create 1099 File** option from the Actions menu in the 1099 Processing screen. The system displays the following screen. Use this screen to provide the information needed for the electronic file to be created for submission to the IRS and/or State.



T Record Fields:

Payment Year	Make sure this field reflects the correct year. The system defaults the year from the Calendar Begin date in Accounts Payable Default Settings. This is a required field.
Prior Year **Replacement File** **Test File**	You only need to check one of these fields if you are submitting information for a prior year, or submitting a replacement file or test file.
Transmitter Control Code	This number is assigned by the IRS. You can use up to 5 characters. This is a required field.

Replacement Alpha Character	You only need to use this field if this is a replacement filing.
Contact Name and Phone	Enter your contact information. These are required fields.
Media Number	For magnetic media filers only, enter the number used to identify a particular piece of media.
Replacement File Name	You only need to supply a file name here if you are submitting a replacement file.

A Record Fields:

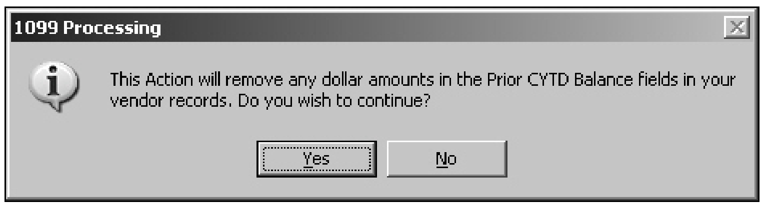
Payer Name Control	This is a 4-character code that is usually the first four characters of your entity name. See the IRS documentation for specific information. This is a required field.
Last Time Filing **Combined Fed/State File** **Correction File** **Original File**	Select whichever of these filing types applies to your entity. The default is Original File. You can only check the Combined Federal/State Filer box if you have been approved to participate in the combined federal/state filing program.
State Code	Check the IRS documentation for state codes. The default is 0. This is a required field.
Destination & File Name	This field displays the path to and name of the file. You can change the location of the file, but the file name must remain the same (IRSTAX). This is a required field.

Removing Prior CYTD Balance Amounts

If you used the **Prior CYTD Balance** field on the 1099 Information tab of the vendor record, you can use the Zero Out CYTD Balances option to clear the fields again. Use this option after completing your 1099 processing for the year.

To remove Prior CYTD Balances:

1. In the Accounts Payable menu, double-click **Payments** to display the menu items.
2. Double-click **1099 Processing** to display the 1099 Processing grid.
3. From the Actions menu, select the **Zero Out CYTD Balances** option. The system displays a message asking for confirmation that you want to remove the balances.



4. Click **Yes** to proceed. The system removes the dollar amounts from the **Prior CYTD Balance** fields in the vendor records and displays a message when complete.

Preparing W-2s

This chapter describes the process of preparing W-2 forms for your employees. Covered in this section are the following topics:

- W-2 checklist
- About Forms and Filing
- Verifying processing information
- Selecting the W-2 approach
- Running a Quarterly Accumulations Report
- Printing a Validation Report
- Generating W-2 records
- Importing payroll information (if needed)
- Printing W-2 forms
- Preparing the W-2 filing

W-2 Checklist

Step	Description	Page
☐ 1.	**Verify payer information and Federal tax ID**	31
	Use the General Ledger Default Settings screens to verify payer address and contact information, as well as your entity's Federal tax ID.	
☐ 2.	**Verify W-2 box selections and state tax IDs**	33
	Verify the W-2 box selections for all deductions. Verify your state codes, ID, and formats to make sure they are correct.	
☐ 3.	**Access W-2 information**	35
	For partial calendar year users: Determine the method you will use to prepare W-2 records. You can issue two W-2s (one for your old system and one for the Accounting system). You can import the previous system's information as an adjustment to the W-2 information generated by Accounting using the Import from MMREF option. If you plan to use this approach, balance the W-2s generated by this system before importing MMREF information from a previous system. You can manually enter adjustments in the YTD Accumulations for each of your employees and select that the adjustments be included in W-2 calculations.	
☐ 4.	**Run the Accumulations Report**	36
	Run the Quarterly Accumulations report for the year. Review the report for accuracy and balance to your 941 filings.	
☐ 5.	**Print a Validation Report**	
	Print a Validation Report to identify whether there are any employee names or addresses that exceed the acceptable field length.	
☐ 5	**Generate employee W-2 records**	38
	Generate the W-2 work file.	
☐ 6.	**Review employee W-2 records**	42
	Review and adjust employee W-2 records as needed.	
☐ 7.	**Print W-2 Totals Report**	47

Step	Description	Page
	Print the W-2 Totals Report to check your final W-2 file. Use this report to balance to 941 filings for the calendar year and to obtain summary filing totals.	
☐ 8.	**Print W-2s**	50
	Print W-2 forms for employees. Also export a copy of the W-2 forms as a PDF to keep for archive purposes.	
☐ 9.	**Prepare the W-2 filing**	53
	Prepare the filing of W-2 information for the SSA.	

About Forms and Filing

The Payroll module has the ability to generate a W-2 file in the MMREF format for transmission to the Social Security Administration. Using this filing method eliminates the need to print and send Copies A and D. With this type of filing, you may use the single sheet with all employee copies (4-up form), which means you only have to purchase and print one form per employee. This filing method is recommended.

W-2 Forms

Accounting assumes that you will be filing magnetic media or electronically, and printing employee copies on the 4-up forms.

Use the 4-up blank, perforated forms with instructions on the back. The Copies A and D are eliminated, and the employer record copy can be printed on plain paper. This makes printing and mailing of the employee copies much easier, and provides a nicer format.

Transmittal Form

A transmittal form is required with magnetic media filings. For Federal reporting it is:

Form 6559	Accompanies magnetic media filing of W-2 Copy A. You can download this form from the SSA web site.

For State reporting requirements, refer to your state taxation agency.

Verifying Processing Information

The W-2 process takes place in the Payroll module. Before you start processing W-2 information, there are a few items you need to verify:

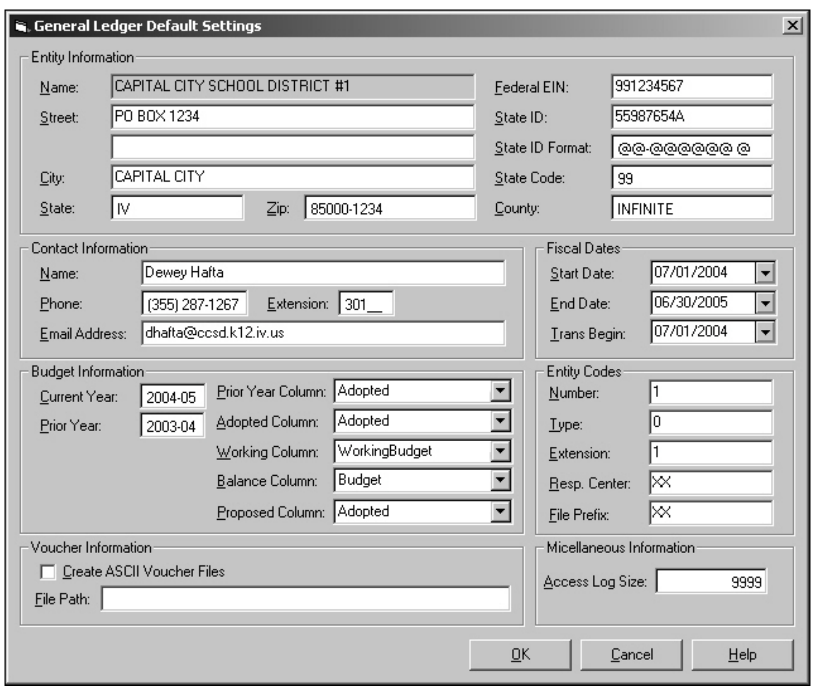
- Entity name and address
- Federal ID Number
- State ID numbers and formats
- Locality names and tax types
- W-2 box selected for all deductions

Entity Information

Verify that your entity's name, address, and Federal EIN are correct in the General Ledger Default Settings screen. This information will appear on every W-2.

To check entity information:

1. In the General Ledger menu, double-click **Configuration** to display the menu items.
2. Double-click **General Ledger Default Settings**. The system displays the General Ledger Default Settings screen.

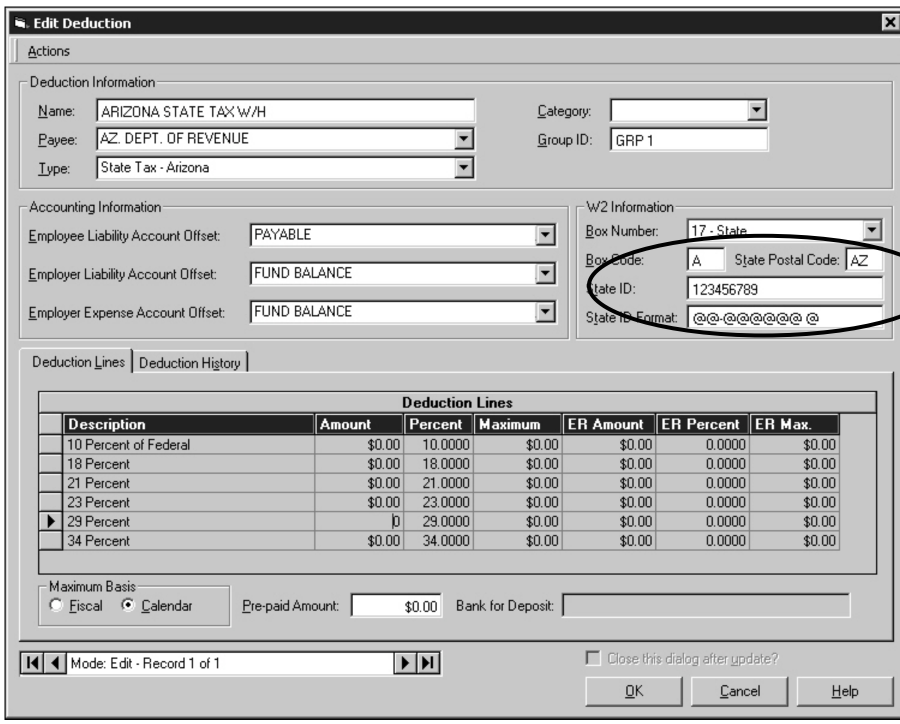


3. Review the **Entity Information** fields to be sure they are correct.
4. Review the **Federal EIN** field to be sure it is correct. The field must contain 9 digits.

State ID Numbers and Formats

For your state codes, ID numbers, and formats, there are two places you need to check. This information is set up initially in General Ledger Default Settings. Also, the state income tax deduction definition contains the fields for each state income tax deduction you defined.

Check the state tax deduction definition in Deduction/Benefits Maintenance to be sure the **State Postal Code**, **State ID**, and **State ID Format** fields are correct for each of your state income tax deduction definitions.

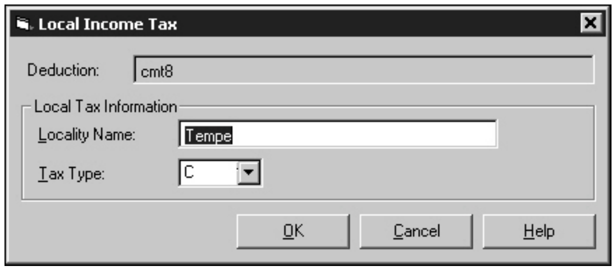


To change the format, use the @ sign on your keyboard to represent alphabetic or numeric characters, and insert hyphens or spaces as appropriate.

Locality Names and Tax Types

If you are reporting local income taxes, review the deduction definitions for each of your local income tax deduction types.

In Deduction/Benefits Maintenance, check Setup to be sure the locality name and tax type are correct for each local income tax deduction definition.



W-2 Box Selections for Deductions

In the Deductions/Benefits Maintenance screen, verify that the W-2 Information parameters on all deductions are set correctly before generating W-2s for the first time.

If Box 12 is selected, the letter code from the W-2 list must be provided in the next field. Multiple Box 12 items with the same code will be rolled up to a single W-2 entry.

For the retirement flag in Box 13, the employee or employer amounts for retirement benefits using any Retirement deduction type being greater than zero cause Box 13 Retirement to be flagged.

For any state taxes, verify the W-2 information parameters are complete.

For any local taxes, check the deduction setup to verify the **Locality Name** and **Tax Type** are correct for each local income tax deduction.

To check W-2 information for deductions:

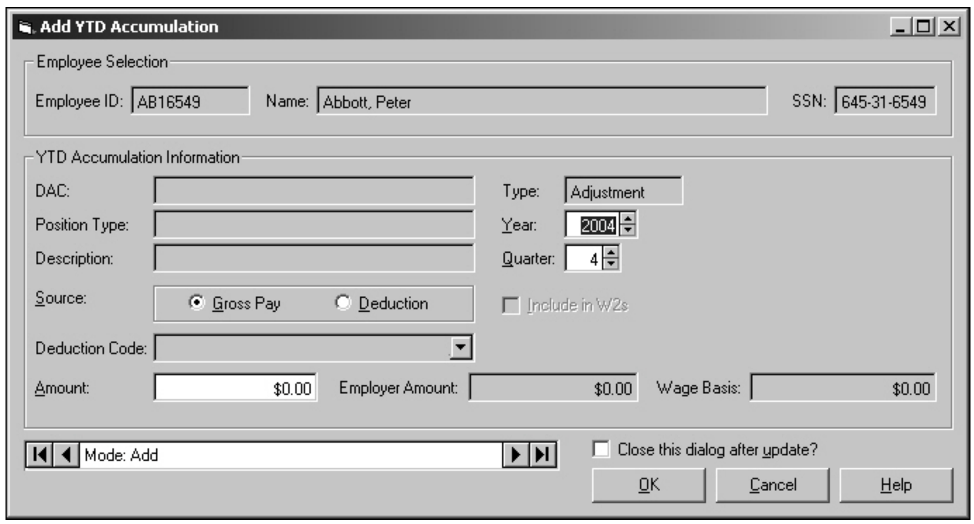
1. In the Payroll main menu, double-click Deductions/Benefits to display the menu items.
2. Double-click Deductions/Benefits Maintenance.
3. Rearrange the grid for the W-2 information.
4. Click  to display the Generate Listing screen.
5. Choose any grouping that applies (for example, you can group deductions by deduction type).

6. Click **OK**. The system displays a listing of W-2 information for each of your deductions in the Report Viewer. Print the report and verify your deductions' W-2 setup.

Selecting the W-2 Approach

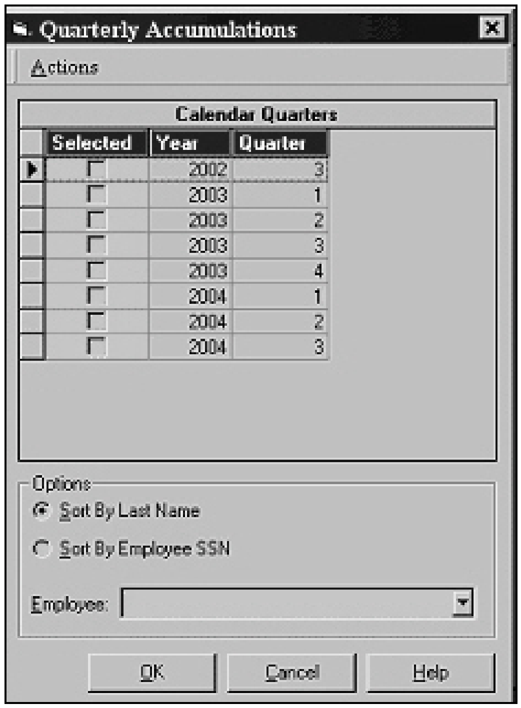
For partial calendar year users: Determine the method you will use to prepare W-2 records.

- You can issue two W-2s (one for your old system and one for the Accounting system).
- You can import the previous system's information as an adjustment to the W-2 information generated by Accounting using the Import from MMREF option (see page 45). If you plan to use this approach, balance the W-2s generated by this system before importing MMREF information from a previous system.
- You can manually enter adjustments in the employee YTD Accumulations for each of your employees and select that the adjustments be included in W-2 calculations.



Running a Quarterly Accumulations Report

This report shows the accumulations for the entire year. Print the report. Then review the report for accuracy and balance it to your 941 filings.



Select the quarters and click **OK**.

Printing a Validation Report

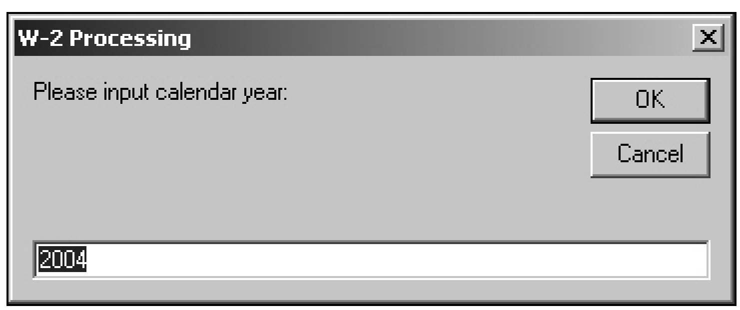
Before you generate your W-2 data, run a W-2 Validation Report to have the system check for employee names or addresses that are too long. This report checks employee records for the following:

- First name longer than 15 characters
- Middle name longer than 15 characters
- Last name longer than 20 characters
- Address line 1 longer than 22 characters
- Address line 2 longer than 22 characters
- City longer than 22 characters
- State longer than 2 characters
- Zip longer than 15.

If the system finds any of the above situations, it will produce a report displaying the employee and the warning. You can then decide how you want to handle these situations before generating the W-2 data.

To print a W-2 Validation Report:

1. In the Payroll menu expand **Reports** to display the menu options.
2. In the Reports menu, expand **Quarterly/Annual** to display the menu items.
3. Double-click **W-2 Processing**. The system displays the W-2 Processing grid.
4. From the Actions menu, select the **Validation Report** option. The system displays a dialog box asking you to supply the calendar year.



5. Review the default displayed. You can change it if necessary.
6. Click **OK**. The system checks the employee records and displays a report if it finds any warning situations. If it does not find any problems, no report displays.

Generating W-2 Records

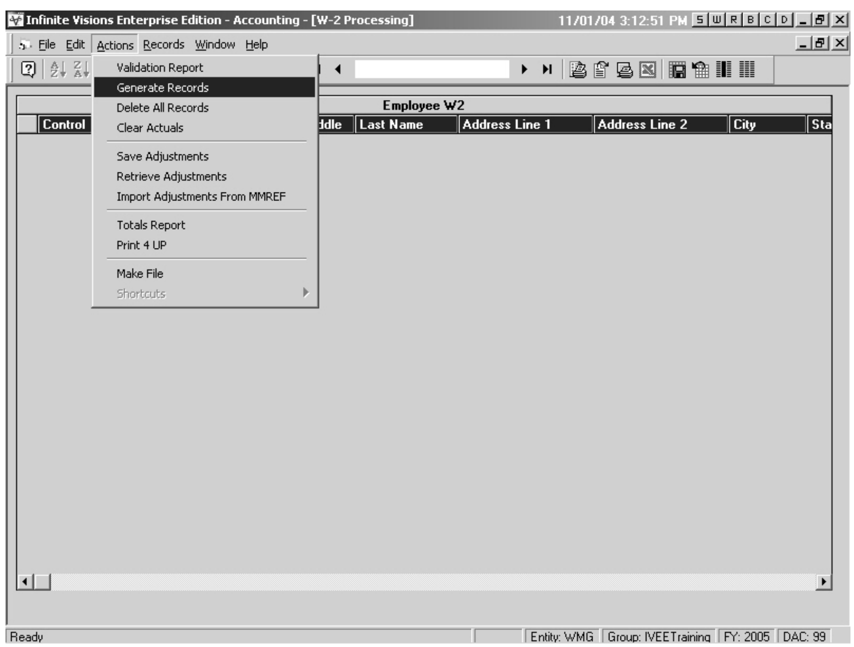
Once you have reviewed your W-2 setup and reviewed the accumulations report for accuracy, you can generate the W-2 information for your employees. Generating W-2 information gathers all of the year-to-date payroll accumulations for your employees into a working file. Once information is generated, you can review it and make adjustments as necessary.

Any adjustments you make in the W-2 information are reflected only in the W-2 file.

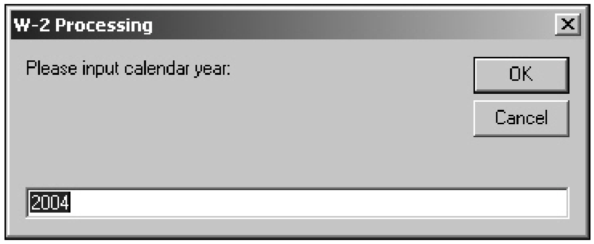
You will be working with the records in the W-2 Processing screen as they were generated. If for some reason you need to regenerate these records, you first need to **Delete All Records** and then generate them again.

To generate W-2s:

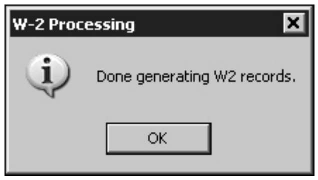
1. In the Payroll menu, double-click **Reports** to display the menu items.
2. Double-click **Quarterly/Annual** to display the menu items.
3. Double-click **W-2 Processing**. The system displays the W-2 Processing grid.



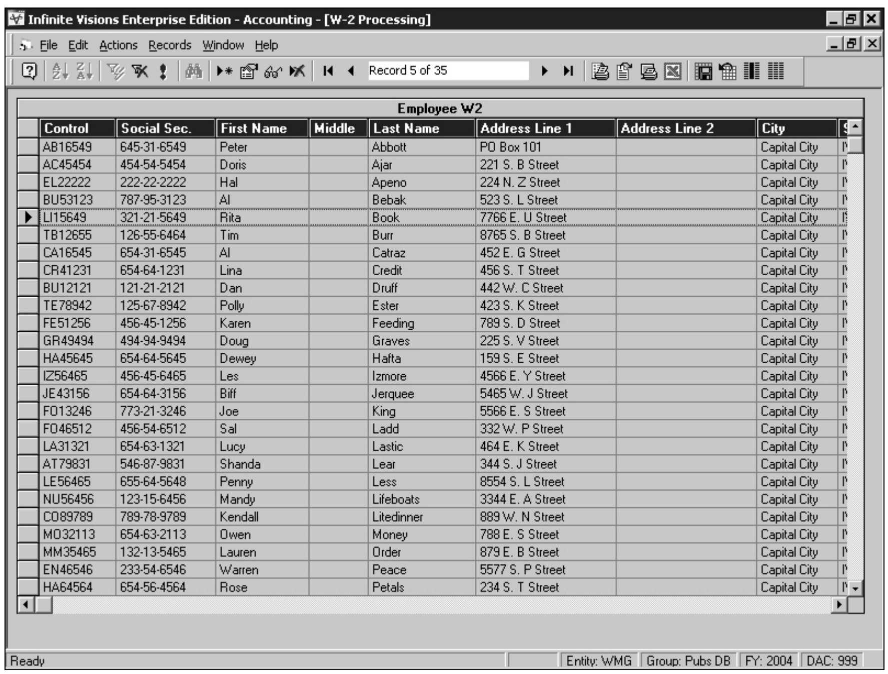
4. In the Actions menu, select the **Generate Records** option. The system displays a message asking you to enter the calendar year.



5. Type the calendar year you are generating W-2 information for and click **OK**. The system generates the W-2 records for the selected year and displays the following message.



The system redisplays the W-2 Processing grid with the generated records.



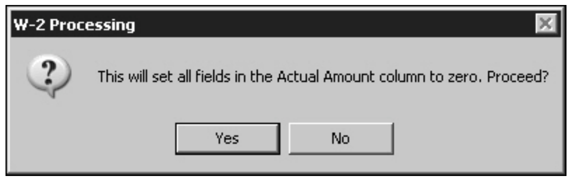
Control	Social Sec.	First Name	Middle	Last Name	Address Line 1	Address Line 2	City
AB16549	645-31-6549	Peter		Abbott	PO Box 101		Capital City
AC45454	454-54-5454	Doris		Ajar	221 S. B Street		Capital City
EL22222	222-22-2222	Hal		Apeno	224 N. Z Street		Capital City
BU53123	787-95-3123	Al		Bebak	523 S. L Street		Capital City
LI15649	321-21-5649	Rita		Book	7766 E. U Street		Capital City
TB12655	126-55-6464	Tim		Burr	8765 S. B Street		Capital City
CA16545	654-31-6545	Al		Catraz	452 E. G Street		Capital City
CR41231	654-64-1231	Lina		Credit	456 S. T Street		Capital City
BU12121	121-21-2121	Dan		Druff	442 W. C Street		Capital City
TE78942	125-67-8942	Polly		Ester	423 S. K Street		Capital City
FE51256	456-45-1256	Karen		Feeding	789 S. D Street		Capital City
GR49494	494-94-9494	Doug		Graves	225 S. V Street		Capital City
HA45645	654-64-5645	Dewey		Hafta	159 S. E Street		Capital City
IZ56465	456-45-6465	Les		Izmore	4566 E. Y Street		Capital City
JE43156	654-64-3156	Biff		Jerquee	5465 W. J Street		Capital City
FO13246	773-21-3246	Joe		King	5566 E. S Street		Capital City
FO46512	456-54-6512	Sal		Ladd	332 W. P Street		Capital City
LA31321	654-63-1321	Lucy		Lastic	464 E. K Street		Capital City
AT79831	546-87-9831	Shanda		Lear	344 S. J Street		Capital City
LE56465	655-64-5648	Penny		Less	8554 S. L Street		Capital City
NU56456	123-15-6456	Mandy		Lifeboats	3344 E. A Street		Capital City
CO89789	789-78-9789	Kendall		Litedinner	889 W. N Street		Capital City
MO32113	654-63-2113	Owen		Money	788 E. S Street		Capital City
MM35465	132-13-5465	Lauren		Order	879 E. B Street		Capital City
EN46546	233-54-6546	Warren		Peace	5577 S. P Street		Capital City
HA64564	654-56-4564	Rose		Petals	234 S. T Street		Capital City

Clearing Actuals

When the system generates W-2 information, it places the information in the **Actual Amount** column. Under some circumstances, you may want to clear out all of the actual information and just enter adjustments. To do this, you can use the **Clear Actuals** option on the Actions menu, work with Adjustments only, save the adjustments, then regenerate the Actuals later and retrieve the adjustments.

To clear actuals:

1. In the Payroll menu, double-click **Reports** to display the menu items.
2. Double-click **Quarterly/Annual** to display the menu items.
3. Double-click **W-2 Processing**. The system displays the W-2 Processing grid.
4. In the Actions menu, select the **Clear Actuals** option. The system displays the following message.



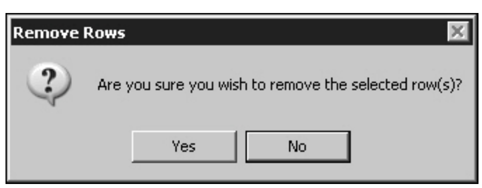
5. Click **Yes** to proceed. The system clears any amounts in the **Actual Amount** column.

Deleting W-2s

If you need to delete W-2 records, you can either delete an individual record, or you can Delete All records and then regenerate.

To delete individual records:

1. In the Payroll menu, double-click **Reports** to display the menu items.
2. Double-click **Quarterly/Annual** to display the menu items.
3. Double-click **W-2 Processing**. The system displays the W-2 Processing grid.
4. Click to select the record(s) you want to delete.
5. Select the Delete command. The system displays the following message.

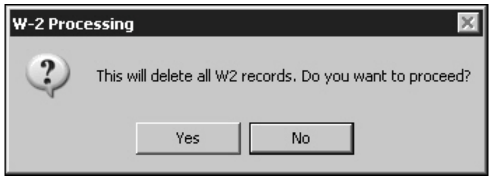


6. Click **Yes** to delete the record.

To delete all records:

If you want to delete all generated records and start over again, you can easily do so. If you have made adjustments that you want to save, use the Save Adjustments option on the Actions menu before you delete all records.

1. In the Payroll menu, double-click **Reports** to display the menu items.
2. Double-click **Quarterly/Annual** to display the menu items.
3. Double-click **W-2 Processing**. The system displays the W-2 Processing grid.
4. From the Actions menu, select the **Delete All Records** option. The system displays the following message.



5. Click **Yes** to proceed. Once you have deleted all the records, you can then regenerate them and retrieve your saved adjustments.

Regenerating W-2s

If you want to completely regenerate all W-2s and start from the beginning, first use the **Delete All Records** option and then the **Generate Records** option to regenerate.

If you want to save any adjustments you have made, use the **Save Adjustments** option before you **Delete All Records**.

To regenerate W-2s:

1. In the Payroll menu, double-click **Reports** to display the menu items.
2. Double-click **Quarterly/Annual** to display the menu items.
3. Double-click **W-2 Processing**. The system displays the W-2 Processing grid.
4. If you want to save any adjustments you have made, select the **Save Adjustments** option on the Actions menu.
5. Select the **Delete All Records** option from the Actions menu. The system will delete all of the records.
6. Select the **Generate Records** option from the Actions menu to regenerate the W-2 information.
7. If you have some saved adjustment records, select the **Retrieve Adjustments** option from the Actions menu to retrieve any saved adjustments.

Editing W-2 Information

You can enter adjustments to wages and/or withholdings in the **Adjustment** column on the Edit Employee W-2 screen. If you have any employee information from the current calendar year that is not in the Payroll module, you can enter any missing data here and it will be printed on the W-2.

Notes for Saving/Retrieving Adjustments

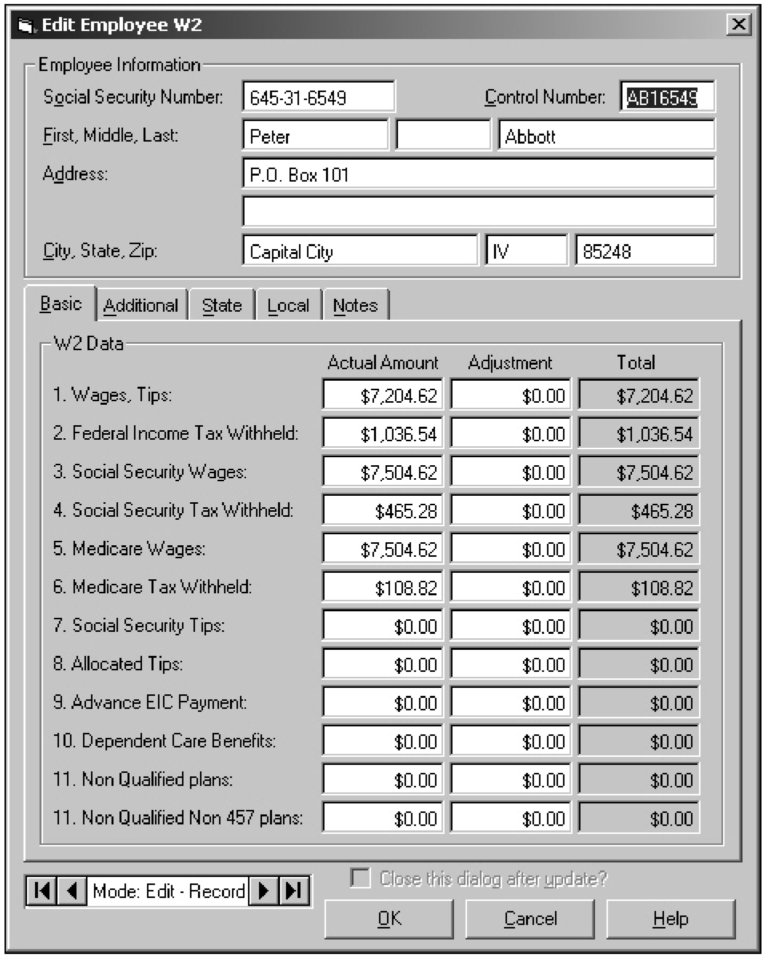
- Adjustments made to Box 12 will be matched by code when retrieved. If there were additional codes added as adjustments, they will be added until there are 4 box 12 codes on the W2.
- Changes made to Box 13 check boxes will not be saved/retrieved.
- Adjustments made to Box 14 will be retrieved to the same line as they were saved; they are not matched up based on the description.
- Box 20 Locality Name descriptions added as adjustments will not be saved/retrieved.
- Any Notes added will not be saved/retrieved.

TIP

If you are using the Save/retrieve adjustment actions and have multiple Box 12, 14 or Local Taxes, verify the information is correct after retrieving the adjustments.

Entering Adjustments

1. In the Payroll menu, double-click **Reports** to display the menu items.
2. In the Reports menu, double-click **Quarterly/Annual** to display the menu items.
3. Double-click **W-2 Processing** to display the W-2 Processing grid.
4. Select the record you want to adjust.
5. Select the Edit command. The system displays the Edit Employee W-2.



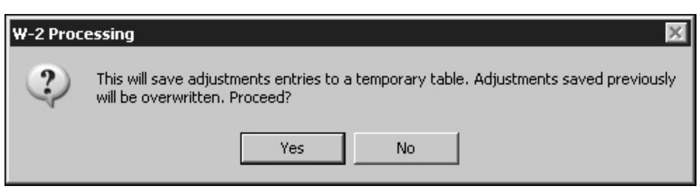
6. Enter adjustments as needed in the **Adjustment** fields. The system adjusts the **Total** based on your entries.

7. Click **OK**. The system displays the W-2 Processing grid.

Saving Adjustments

If needed, you can save the adjustments you enter. Unless you specifically save the adjustments, if you need to regenerate the actual W-2 information for any reason, the adjustment column will be reset to zero.

1. To save your adjustments, select the **Save Adjustments** option from the Actions menu. The system displays the following message.



2. Click **Yes** to save the adjustments. The system displays a message when the adjustments are saved.

Retrieving Saved Adjustments

If you need to regenerate W-2 information after you have made and saved any adjustments, you can restore the saved adjustment information:

1. After you regenerate the W-2s, select the **Retrieve Adjustments** option in the Actions menu. The system displays a message reminding you that if you retrieve adjustments, you will overwrite any adjustments you may have entered.
2. Click **Yes** to proceed. The system retrieves the adjustment information and informs you when it is finished.

Importing MMREF Information

If you implemented the Infinite Visions Enterprise Edition software in the middle of a calendar year (for example, July 1), you can use this utility to import W-2 information from your previous computer system and include that information as adjustments in the file you are creating to report W-2s with Infinite Visions.

Before using this utility, run the W-2 process in your previous software to get an MMREF file containing your employees' W-2 information for the first half of the year (for example, January through June). Once you create this file, you can import it for use with the Infinite Visions W-2 calculations.

The Social Security Administration has a free software application that checks your W-2 file for over 200 errors before you submit. You can download the AccuWage software at no cost from the SSA web site. Before importing the MMREF file, run the import file through AccuWage and correct any errors.

Import Notes for Multiple Box 12 Codes

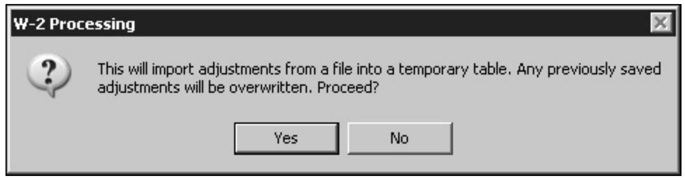
The system imports the first four items that are not zero in the MMREF file into an adjustment record for the employee. The order that the system looks through the MMREF file is: (from the RW record) C, D, E, F, G, H, W, and V; (from the RO record) A and B - (combined together), M, N, R, S, and T.

If there are Box 12 codes in the MMREF file that aren't on the IVEE BudgetSense W-2, they will be imported until there are four Box 12 codes. So, if the IVEE BudgetSense W-2 record has codes C and E and the MMREF file has D, G, and H, only D and G will be imported; H will not.

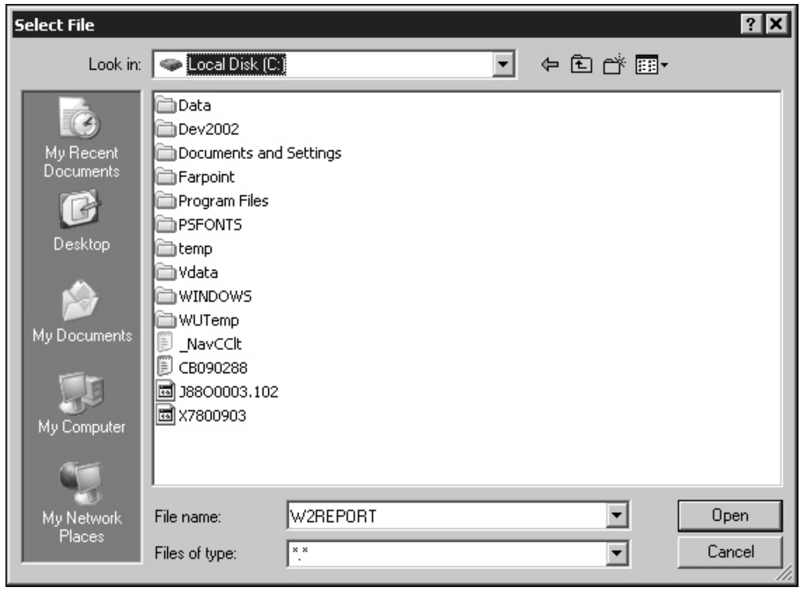
In the example above, if the employee has C, D, F G, and H from IVEE BudgetSense and the MMREF has C, E, G, H, and T, only the C and G match up from the first four codes of each location, so they will be imported; but the other codes (E, H, and T) will not be imported.

To import an MMREF file:

1. In the Payroll menu, expand **Reports** to display the menu items.
2. In the Reports menu, expand **Quarterly/Annual** to display the menu items.
3. Double-click **W-2 Processing**. The system displays the W-2 processing grid.
4. From the Actions menu, select the **Import Adjustments From MMREF** option. The system displays the following message.



5. Click **Yes** to proceed. The system displays a Select File screen you can use to navigate to the file you want to import.



6. When you locate the file, select it and click **Open**. The system imports the file and displays a message when it finishes.

To retrieve the imported adjustments:

Once you have imported the MMREF file, you will need to retrieve it to move the adjustment amounts into the W-2 file.

1. In the W-2 Processing grid, select **Retrieve Adjustments**. The system displays a message reminding you that if you retrieve adjustments, you will overwrite any adjustments you may have entered.
2. Click **Yes** to proceed. The system retrieves the adjustment information and informs you when it is finished.

Printing a W-2 Totals Report

Print the W-2 Totals report to review the box totals and adjustment information before printing W-2s.

To print a W-2 Totals report:

1. In the Payroll menu, expand **Reports** to display the menu items.
2. Expand **Quarterly/Annual** to display the menu items.
3. Double-click **W-2 Processing**. The system displays the W-2 Processing grid.
4. From the Actions menu, select the **Totals Report** option. The system generates the report and displays it in the Report Viewer.

Sample W-2 Totals Report

This sample has two pages.

Interfund Test School District

W2 Totals

Fiscal Year: 2003-2004

	Actual Amount	Adjustment	Total
1. Wages, tips, other comp.	568,533.15	1,721,281.41	2,289,814.56
2. Federal income tax withheld	47,344.00	220,649.12	267,993.12
3. Social security wages	590,527.86	1,267,055.72	1,857,583.58
4. Social security tax withheld	36,612.78	78,619.56	115,232.34
5. Medicare wages and tips	590,527.86	1,707,907.83	2,298,435.69
6. Medicare tax withheld	8,562.78	24,764.92	33,327.70
7. Social security tips	0.00	1,000.00	1,000.00
8. Allocated tips	0.00	1,235.64	1,235.64
9. Advance EIC payment	896.56	4,008.13	4,904.69
10. Dependent care benefits	250.00	5,500.00	5,750.00
11. Nonqualified plans	2,071.60	130,692.31	132,763.91
12. See instructions			
A	185.00	580.00	765.00
B	110.00	0.00	110.00
C	883.00	6,787.85	7,670.85
D	9,339.00	318,709.26	328,048.26
E	3,737.49	36,308.62	40,046.11
F	251.06	1,498.11	1,749.17
G	735.24	1,955.38	2,690.62
H	250.30	500.60	750.90
J	1,068.62	0.00	1,068.62
K	1,165.00	0.00	1,165.00
L	62.50	0.00	62.50
M	118.65	850.50	969.15
N	33.30	55.50	88.80
P	99.99	0.00	99.99
S	428.43	804.32	1,232.75
T	111.10	222.20	333.30
V	611.10	1,907.53	2,518.63
13. Statutory employee	1		
13. Retirement Plan	61		
13. Third-party sick pay	1		
14. Other			
AZ State Retir	14,036.28	0.00	14,036.28
Teachers Union	310.00	0.00	310.00
TSA	3,797.91	0.00	3,797.91
United Way	76.50	0.00	76.50
16. State wages, tips, etc.	537,161.09	1,436,050.04	1,973,211.13
17. State Income Tax	11,353.11	69,485.69	80,838.80
18. Local wages, tips, etc.	21,838.43	452,777.18	474,615.61

Printed: 01/02/2004 9:34:44 AM Report: rptPRW2Totals 1.2.40 Page: 1

Interfund Test School District

W2 Totals

Fiscal Year: 2003-2004

	Actual Amount	Adjustment	Total
19. Local income tax	**237.97**	**60,792.32**	**61,030.29**
Number of W2s	**75**		

End of Report

Printed: 01/02/2004 9:34:44 AM Report: rptPRW2Totals 1.2.40 Page: 2

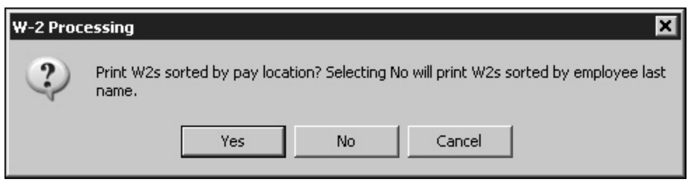
Printing W-2 Forms

For the copies you send to employees, use the 4-up employee W-2 form that prints to blank, perforated form stock with instructions on the back.

The employer record copy can be printed on plain paper.

To print 4-up employee forms for employees:

1. In the Payroll menu, double-click **Reports** to display the menu items.
2. Double-click **Quarterly/Annual** to display the menu items.
3. Double-click **W-2 Processing**. The system displays the W-2 Processing grid.
4. Load "blank," perforated W-2 stock into the printer.
5. Select the **Print 4 Up** option from the Actions menu. The system displays the following message.



6. Click **Yes** or **No** as appropriate. The system prepares the W-2s and places them in the Report Viewer.

Sample W-2

Copy B To Be Filed With Employee's FEDERAL Tax Return — 2004 — OMB No. 1545-0008

a Control number: AB16549	1 Wages, tips, other comp.: 7204.62	2 Federal income tax withheld: 1036.54
	3 Social security wages: 7504.62	4 Social security tax withheld: 465.28
b Employer ID number: 99-1234567	5 Medicare wages and tips: 7504.62	6 Medicare tax withheld: 108.82

c Employer's name, address, and zip code
CAPITAL CITY SCHOOL DISTRICT #1
PO BOX 1234
CAPITAL CITY IV 85000-1234

d Employee's social security number
645-31-6549

e Employee's name, address, and zip code
Peter Abbott
P.O. Box 101
Capital City IV 85248

7 Social security tips	8 Allocated tips	9 Advance EIC payment
10 Dependent care benefits	11 Nonqualified plans	12a Code See Inst. for box 12: E 300.00
13 Statutory employee	14 Other	12b Code
Retirement plan		12c Code
Third-party sick pay		12d Code
15 State Emplr.'s state I.D. #	16 State wages, tips, etc.	17 State income tax
18 Local wages, tips, etc.	19 Local income tax	20 Locality name

Form W-2 Wage and Tax Statement 41-1628061 Dept of the Treasury – IRS
This information is being furnished to the Internal Revenue Service.

Copy 2 To Be Filed With Employee's State, City, or Local Income Tax Return — 2004 — OMB No. 1545-0008

a Control number: AB16549	1 Wages, tips, other comp.: 7204.62	2 Federal income tax withheld: 1036.54
	3 Social security wages: 7504.62	4 Social security tax withheld: 465.28
b Employer ID number: 99-1234567	5 Medicare wages and tips: 7504.62	6 Medicare tax withheld: 108.82

c Employer's name, address, and zip code
CAPITAL CITY SCHOOL DISTRICT #1
PO BOX 1234
CAPITAL CITY IV 85000-1234

d Employee's social security number
645-31-6549

e Employee's name, address, and zip code
Peter Abbott
P.O. Box 101
Capital City IV 85248

7 Social security tips	8 Allocated tips	9 Advance EIC payment
10 Dependent care benefits	11 Nonqualified plans	12a Code See Inst. for box 12: E 300.00
13 Statutory employee	14 Other	12b Code
Retirement plan		12c Code
Third-party sick pay		12d Code
15 State Emplr.'s state I.D. #	16 State wages, tips, etc.	17 State income tax
18 Local wages, tips, etc.	19 Local income tax	20 Locality name

Form W-2 Wage and Tax Statement 41-1628061 Dept of the Treasury – IRS

Copy C For EMPLOYEE'S RECORDS (See Notice to Employee on back of copy B.) — 2004 — OMB No. 1545-0008

a Control number: AB16549	1 Wages, tips, other comp.: 7204.62	2 Federal income tax withheld: 1036.54
	3 Social security wages: 7504.62	4 Social security tax withheld: 465.28
b Employer ID number: 99-1234567	5 Medicare wages and tips: 7504.62	6 Medicare tax withheld: 108.82

c Employer's name, address, and zip code
CAPITAL CITY SCHOOL DISTRICT #1
PO BOX 1234
CAPITAL CITY IV 85000-1234

d Employee's social security number
645-31-6549

e Employee's name, address, and zip code
Peter Abbott
P.O. Box 101
Capital City IV 85248

7 Social security tips	8 Allocated tips	9 Advance EIC payment
10 Dependent care benefits	11 Nonqualified plans	12a Code See Inst. for box 12: E 300.00
13 Statutory employee	14 Other	12b Code
Retirement plan		12c Code
Third-party sick pay		12d Code
15 State Emplr.'s state I.D. #	16 State wages, tips, etc.	17 State income tax
18 Local wages, tips, etc.	19 Local income tax	20 Locality name

Form W-2 Wage and Tax Statement 41-1628061 Dept of the Treasury – IRS
This information is being furnished to the IRS. If you are required to file a tax return, a negligence penalty/other sanction may be imposed on you if this income is taxable and you fail to report it.

Copy 2 To Be Filed With Employee's State, City, or Local Income Tax Return — 2004 — OMB No. 1545-0008

a Control number: AB16549	1 Wages, tips, other comp.: 7204.62	2 Federal income tax withheld: 1036.54
	3 Social security wages: 7504.62	4 Social security tax withheld: 465.28
b Employer ID number: 99-1234567	5 Medicare wages and tips: 7504.62	6 Medicare tax withheld: 108.82

c Employer's name, address, and zip code
CAPITAL CITY SCHOOL DISTRICT #1
PO BOX 1234
CAPITAL CITY IV 85000-1234

d Employee's social security number
645-31-6549

e Employee's name, address, and zip code
Peter Abbott
P.O. Box 101
Capital City IV 85248

7 Social security tips	8 Allocated tips	9 Advance EIC payment
10 Dependent care benefits	11 Nonqualified plans	12a Code See Inst. for box 12: E 300.00
13 Statutory employee	14 Other	12b Code
Retirement plan		12c Code
Third-party sick pay		12d Code
15 State Emplr.'s state I.D. #	16 State wages, tips, etc.	17 State income tax
18 Local wages, tips, etc.	19 Local income tax	20 Locality name

Form W-2 Wage and Tax Statement 41-1628061 Dept of the Treasury – IRS

Archiving W-2s

A useful technique for archiving a copy of this year's W-2s is to use the Export to PDF feature of the Report Viewer and create a PDF of your completed W-2s. Using a PDF file as an archive, you can reprint a specific W-2 (by using the search features built into PDF) years later if an employee requests it. You would then not need to keep your W-2 files on-line.

To make a PDF of your W-2s:

1. Follow the instructions for printing W-2s until you have the W-2s displayed in the Report Viewer.
2. Either from the toolbar or the Export menu, select the **PDF** option. The system displays a Save As screen so that you can specify a file name and a location.
3. Type a file name (for example, 2004W2s), and navigate to the location where you want the system to place the file. Click **Save**. The system saves a copy of the W-2s as a PDF file at the location you specify.

Making the W-2 File

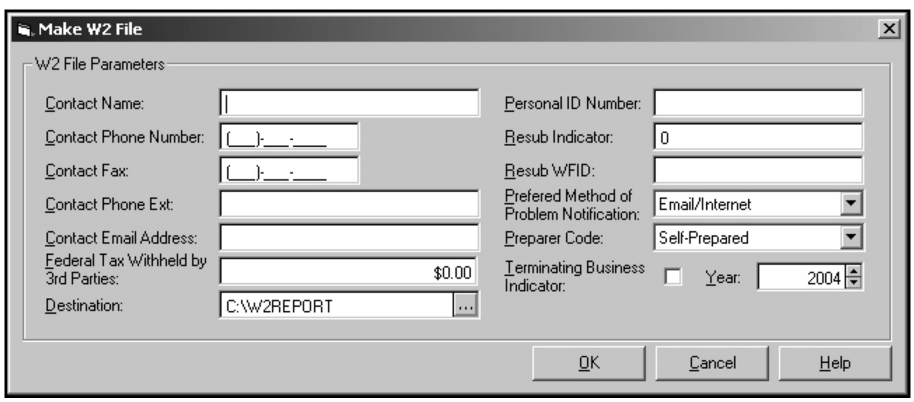
Even for smaller districts (those with under 250 employees), it is more efficient to file electronically. Therefore, no option for paper filing is available. For filing on magnetic media (diskette) with the Federal and State agencies, see the SSA documentation for proper transmittal and labeling instructions.

If you are filing electronically, you will upload the file using the Online Wage Reporting Service. See www.ssa.gov/employer for instructions.

Error Checking the File: The Social Security Administration has a free software application that checks your W-2 file for errors before you submit. You can download the AccuWage software at no cost from the SSA web site.

To make the W-2 file:

1. In the Payroll menu, double-click **Reports** to display the menu items.
2. Double-click **Quarterly/Annual** to display the menu items.
3. Double-click **W-2 Processing**. The system displays the W-2 grid.
4. From the Actions menu, select the **Make File** option. The system displays the Make W-2 File screen.



5. Type the information that applies (for example, enter contact information, your PIN number assigned by the SSA, the preferred method of problem notification, and the appropriate preparer code).

   For additional information about how to use the fields in this screen, see your W-2 instruction booklet or visit the Social Security Administration web site.

6. Review the information in the **Destination** field. This field specifies the name of the file and where the system will place the file once it is made. You can browse to select a different path if you wish.
7. Review the year in the **Year** field. If it is not correct, either type or select the correct year.

8. Click **OK**. The system displays a message informing you when the file is ready.
9. Perform this process once for Federal filing and again if a file is required for the state. The system will retain the information in the fields (except the destination).